

## COMICS

## SUPERHEROES ARE BIG BUSINESS

BY ANDREW KARDON

Fighting crime hasn't gotten any easier these days, but at least the pay's better. Well, maybe not for the superheroes actually busting bad guy heads, but certainly for the parent companies that own those costumed characters. Yes, comic books have been around for decades, and there've been accompanying licensed products for nearly as long—T-shirts, toys, cartoons, etc. But these days comic book fans seem to have it all—movies, cartoons, video games, action figures, collectible card games, you name it. Sure, it took decades for Spider-Man to make it to the big screen, thanks to a series of legal red tape, but Sony's poised to release the third film in the blockbuster franchise next year (the first two movies had a \$1.5 billion gross worldwide). The X-Men trilogy of films recently wrapped in theaters and *Fantastic Four's* sequel to the Jessica Alba-starring hit. Then there's Nicolas Cage's *Ghost Rider*, which is ready to burn up screens early next year. And that's just the Marvel side of things.

Over at competitor DC Comics' stable of characters, the company's two biggest guns—Batman and Superman—have helped reinvigorate the comic book movie trend with a sequel to the monstrous *Batman Begins* currently in the works and this summer's *Superman Returns* bringing the Man of Steel back to Hollywood. That is not to mention this year's Natalie Portman-starring *V for Vendetta* and next year's epic *300* based on the graphic novel by *Sin City*-creator Frank Miller.

And with movies comes an avalanche of related products. Superman may've flown into movie theaters in June, but expect merchandise to continue through the holiday season. Cheryl Rubin, senior vice-president of brand management for DC Comics, points to Mattel's Superman Inflato Suit as one of the biggest potential hits of the year. The roleplay toy includes built-in fans so kids can dress up in a Superman costume, complete with fake muscles. But

that's just one of the toy company's products based on the character.

"Mattel's entire product line is the most creative and broadest toy line for Superman that's ever been manufactured in the history of Superman," she says. "It included everything from action figures to roleplay toys. And they even figured out a way to make Superman, the toy, fly, which is just a perfect product for Superman."



Above are Marvel Heroes; on the top right is DC's Justice League; on the bottom right is VIZ's Bleach.



Marvel's senior vice-president of corporate development, Matt Finick, agrees that Hollywood only plays a small part in the overall licensing picture. "I think it's a lot of things: movies, video games, the toys. Everything drives the brand awareness. Part of it is sort of a domino effect. For example, with our roleplay toys and action figures, once you get a kid playing with the Hulk Hands and he's starting to try to be Hulk, then he wants a Hulk T-shirt. I think it builds on everything."

Toys and action figures are just part of the big comic book machine, though. These days, comic-based product is hitting just about every category, whether it's apparel where everyone from teenage girls to tweens to young adults to babies are wearing the Superman "S" Shield, or video games where Activision brings the latest Spider-Man or X-Men film to home game

systems. Even home furnishings are strong, says Rubin. In terms of a boy's room, Batman and Superman are very strong with the bedding, the towels, the curtains, the rug, the lamp, etc. Then there's LEGO's construction line of Batman-based toys; Upper Deck's VS trading-card game system, which features both DC and Marvel characters; and theme parks such as Universal's Islands of Adventure (featuring rides and attractions based on Marvel characters) or Six Flags (which is currently utilizing DC's Justice League in its advertising, as well as with themes and walk-around characters at the park itself). Pasta, wallpaper, books, footwear, sporting goods: yes, comic characters are everywhere.

"We've penetrated a lot of the core markets and now it's really working to get more retail shelf space or more cohesive marketing plans," reveals Finick. "I think it's more of that and less about, 'What's the new hot thing that we don't have?' There are always things that come out every year that is a new fad or a new trend that we sign license partners for."

Oddly enough, what started out as children's entertainment has grown in recent years, not just in size but in demographics. The comic industry has shifted to an older reading audience, calling for more mature adult-themed stories. That, in turn, has drawn in many top-name writ-

ers, artists, and directors from other industries. Joss Whedon (*Buffy the Vampire Slayer*), Kevin Smith (*Clerks*), Reginald Hudlin (*House Party*), Allan Heinberg (*The OC*), and J. Michael Straczynski (*Babylon 5*) are just a few TV and movie folks who have recently dived into the comic-book pool. Even best-selling horror author Stephen King is getting in on the action with a Marvel comics series based on his *Dark Tower* book series.

With this broader selection of stories being told in comic-book format, newly formed Virgin Comics hopes to find its niche. Launched this summer with author Deepak Chopra as the chairman of the board, the company's titles are available in comic shops, book stores, and Virgin Megastores throughout North America, Asia, Europe, and Latin America. More elaborate epics than straight superhero fare, these aren't your typical children's stories, but more like PG-13 and R-rated titles. With many of its stories loosely based on ancient Indian legends, the company hopes to appeal to a global audience. And that translates into more product.

"With so many people already familiar with the essence of our stories," says Virgin Comics CMO Larry Lieberman, "our licensing initiatives are concentrating on digital products that can easily be sold worldwide—especially games and content for mobile phones, PC, and handheld video game devices."

Another company known for its older-targeted books is Dark Horse Comics. Besides currently owning the comic rights to Star Wars, the company has seen a number of its creator-owned titles reach the big screen including *Hellboy* and *Sin City*, which has a sequel to the latter already in the works.

Dark Horse has released a number of in-movie style products for *Sin City* along the lines of shot glasses and ashtrays. As for *Hellboy*, while the property is owned by creator Mike Mignola, Dark Horse was the primary force in getting it produced as a film, says vice-president of product development, David Scroggy. The company's also been acting as a licensing agent for the character in graphic art-based categories, with Quattro Media licensing the film-related and forthcoming animated version based on the paranormal investigator.

Future big launches for Dark Horse center on *Gremlins* (based on the original book by author Roald Dahl) and the comic strip *Mutts*. Look for Dark Horse to republish the 1943 illustrated book, and offer new stories in comics and graphic novels, as well as a whole range of toys and collectibles for *Gremlins*. As for *Mutts*, a boxed set of PVC characters and larger vinyl figures is currently on the schedule.

"It is interesting to us that there is a lingering perception of comic books as something in the province

of children, when our experience suggests that this has not been the case for some time," says Scroggy. "One of the problems facing the comic industry as a whole is a general lack of younger readers."

While comics may be lacking in young readers, the product lines certainly do extend down to the younger crowd. Both Marvel and DC will continue to work with licensees on that front. But one demographic both companies are actively going after is young females. New programs and initiatives are currently underway at both companies to target girl consumers, but it's too soon for any formal announcements.

Whether young, old, or anywhere in between, comic books and their great depth of history and content offer a perfect foundation for companies to build on from a licensing standpoint. With new stories and new characters being revealed on a regular basis, it's just a never-ending well to draw upon. And, as Virgin Comics' Lieberman puts it, they also have a built-in audience.

"Comic book properties have the single most important ingredient for successful licensing programs," he says, "passionate, trendsetting fans who consistently consume a steady flow of product. Comic book fans love their favorite stories. They get involved. They're an active audience, and that's the most important spark that every successful licensing program needs."

## ANIME PROPERTIES BRING HEAT FROM THE EAST

Pokémon, the pocket-monster cartoon craze from Japan may've opened America's eyes to a whole new world of animation. These days, you can't flip a channel without seeing some form of Japanese influence. Anime (i.e. Japanese animation) has officially made it in the U.S., and it's already a licensing juggernaut.

"Anime is beyond its tipping point, so you're just going to see it continue to grow," says Debra Kennedy, vice-president of marketing and licensing at FUNimation. "A sign of it growing real well is when you're seeing the large companies come in. I mean, Mattel has obviously been in anime, but is now in anime even further with *Zatch Bell!*, *One Piece*, and *Naruto*."

So what's with the current popularity? Well, a lot of anime titles are based on the original Japanese comic stories called manga. Manga creators could spend years developing their stories, says Cynthia Money, vice-president, consumer products at VIZ Media. That dedication can ultimately result in wonderful, rich content and translates into highly entertaining animated series.

*Inuyasha*, *Naruto*, and *Zatch Bell!* are just a few of VIZ's popular shows currently creating a frenzy among fans with video games, toys, collectible card games, apparel, and more from a wide array of partners ranging from Mattel to Ripple Junction. The company's newest acquisition, *Bleach*, should get the same treatment.

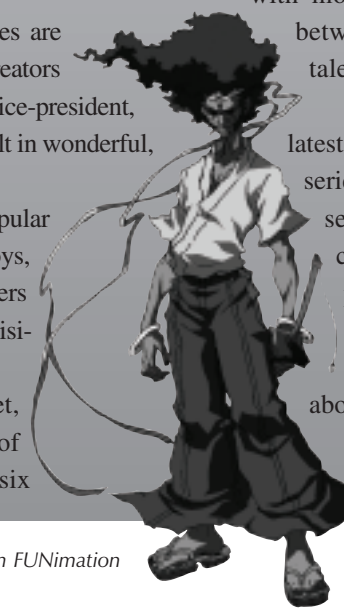
FUNimation, whose popular anime include *Fruits Basket*, *Fullmetal Alchemist*, and *Dragonball Z* has seen all sorts of unique products hitting the market. "We had a call about six

months ago—somebody wanted to make lip gloss with *Fruits Basket*," says Kennedy. "We had a company call us and wanted to do energy drinks with *Fullmetal Alchemist*. It depends on the property, but it's widening its base beyond just 'let's do T-shirts, let's do bags.' We get requests all the time for all sorts of paper products, and costuming; we've got a company that does cake toppers."

Look for a large product push later this year when FUNimation's *Afro Samurai*, voiced by Samuel L. Jackson, hits Spike TV. Two other newly acquired properties on their way for the company are *Shin chan*, a mega popular series with more than 500 episodes to its name that's best described as a cross between *South Park*, *The Simpsons*, and *Family Guy*, and *Trinity Blood*, a tale of vampires in the Vatican set 500 years in the future.

Even some of the larger American companies are taking notice of this latest anime style. MGM, which landed the rights to the fantasy *Highlander* series, will be putting out a direct-to-video release of an anime based on the series. "This is a unique situation because it comes from an existing franchise that's got a cult following," says Travis Rutherford, executive vice-president of MGM consumer products and location-based entertainment. "A lot of the other anime, especially on television, is going a lot younger. This is a young men's type positioning because this is *Highlander*, it's about chopping people's heads off with swords. It's not *Naruto*."

While nothing was signed as of press time, expect to see *Highlander* anime cover the key product categories from apparel to novelty to collectibles.



Afro Samurai, from FUNimation